GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4291
ANSWERED ON:15.12.2000
RETENTION PLAN FOR COFFEE INDUSTRY
CHANDRAKANT BHAURAO KHAIRE;SULTAN SALAHUDDIN OWAISI

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the global coffee industry particularly India is in crisis;

(b) if so, whether the Coffee Board has come up with a Coffee Retention Plan to help farmers;

(c) if so, the details thereof;

(d) whether a two day Conference of United Planters Association of Southern India and the Karnataka Planters Association was organised in Bangalore recently;

(e) if so, the main deliberations made at the Conference; and

(f) the steps suggested in the Conference to raise further sliding prices of the coffee in the country and total amount required to make the Coffee Retention Plan a success ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI OMAR ABDULLAH)

(a) to (f) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN PARTS (a) TO (f) OF LOK SABHA UNSTARRED QUESTION NO.4291 FOR ANWER ON DECEMBER, 2000 REGARDING RETENTION PLAN FOR COFFEE INDUSTRY.

(a) to (c): In the recent months, the international coffee prices have fallen due to surplus supply situation. Since nearly 80% of the coffee produced in India is exported, the industry is mainly dependent on the international coffee prices. Hence, the Indian coffee growers are not getting the same prices today as they were getting 2-3 years ago. However, the domestic prices of both the varieties of coffee are still higher than the international prices.
The Association of Coffee Producing Countires (ACPC), of which India became member in 1999, has proposed a Retention Plan tc bring about a balance between supply and demand of coffee by retaining 20% of exportable coffee to be exported from each country in order to stabilise the falling coffee prices.

(d) to (e): one-day Conference is reported to have been organised jointly by UPASI and Karnataka Planters Association on 14th November, 2000 in Bangalore, to which Chairperson, Coffee Board was also invited.The Conference focussed on price situation of coffee, retention plan of the ACPC, WTO Agreement and its implications on Indian Coffee Sector.

(f):No suggestions have been received by the Govt. from the organizers of the Conference so far. However, a suggestion for a retention plan has been received from the Coffee Board. The actual amount will depend upon the structure of the plan that is decided to be implemented.